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SUPREME COURT OF THE UNITED STATES

No. 65, Orig.

STATE OF TEXAS, PLAINTIFF *v.* STATE OF NEW MEXICO, DEFENDENT

ON BILL OF COMPLAINT

[February 26, 1990]

Based upon the recommendation of the Special Master, the Joint Motion for Entry of Stipulated Judgment ("Joint Motion") is granted, and the Court hereby enters judgment as follows:

STIPULATED JUDGMENT

1. On or before March 1, 1990, New Mexico shall pay Texas $14,000,000, to be disbursed by Texas in accordance with Exhibit B to the Joint Motion which is herein reproduced, by either delivering a check or draft in that amount made payable to the State of Texas or transferring that amount to the State of Texas by electronic wire transfer.

2. Texas releases New Mexico from all claims for equitable or legal relief, other than the relief embodied in the March 28, 1988 Amended Decree and actions thereunder, arising out of New Mexico's breaches of the Pecos River Compact for the years 1952 through 1986, plus all claims for attorneys' fees and other costs incurred prior to August 10, 1989.

3. Nothing herein affects the Court's March 28, 1988 Amended Decree and actions thereunder.

EXHIBIT B

Texas shall deposit $13,800,000 in the Texas Water Assistance Fund No. 480 of the Texas Water Development Board ("Board"), created pursuant to Chapter 15 of the Texas Water Code, to be used for agricultural and irrigation projects (including associated water quality improvement

projects) and any necessary associated studies in the Texas counties of Loving, Ward, Reeves, and Pecos. In funding such projects and studies, the Board shall give preference to projects and studies affecting surface water irrigators in the Red Bluff Water Power Control District in the four designated Texas counties, if appropriate. The remaining $200,000 may be treated by the Attorney General of the State of Texas as attorneys' fees or investigative costs; provided, however, Texas and New Mexico agree that any use of the settlement funds in this manner does not constitute, and shall not be construed as, an admission, express or implicit, that New Mexico has any liability for Texas' attorneys' fees and costs incurred in this litigation.